

Highlight News / July 02/2021



- Resorts lay off workers with no end to Covid in sight
- Uncertainties about e-commerce laws addressed by EuroCham
- Govt approves Bokeo-Boten expressway linking China, Thailand
- Long bean selling well in Natmauk Township
- International visitors to Vietnam drop 97.6 percent y-o-y in H1
- Foreign investors sell out blue chips on Covid fears: analyst



## Resorts lay off workers with no end to Covid in sight



*Cambodia News | 01 July, 2021*

SE Asia's tourism industry has been hit hard by the effects of Coronavirus and any improvement may be a long time coming. Hoteliers and tour groups from Bali to Phuket are suffering from the lack of foreign visitors and Cambodia's tourist hotspots are proving no exception as a ban on foreign tourists continues. Rumours of a lifting of the two-week quarantine for those arriving in the Kingdom have been quashed by the Tourism Ministry, which said an end to the restrictions is still far off. That may hit plans to reopen the country to tourists by the end of the year, with visitors reluctant to spend a fortnight confined to a hotel on arrival. With no foreign visitors to the region's resorts, unemployment in the tourism industry is skyrocketing. Thailand lost 2 million jobs in the sector since the start of the pandemic, nearly half of them in the first half of this year, according to the Tourism Council of Thailand. Almost one-third of tourism-related businesses have closed temporarily, it said. Thailand is hoping to reopen to tourists as early as July, by allowing vaccinated foreigners to stay on Phuket without quarantine. It wants to use the island as a model of how to get the industry back on its feet ahead of a full opening of the country's borders in October. Around 20,000 bookings for holidays on Phuket have reportedly been made. Indonesia's hopes of reopening Bali to visitors have been put on hold as infections rise in the country. "We were

targeting end of July, beginning of August, but we just have to be mindful of where we are in this recent spike," Indonesia's Tourism Minister, Sandiaga Uno, told the Reuters news agency. Infections on the island have risen fourfold in the past month. Indonesia has by far the highest number of infections among the 10 ASEAN nations, with nearly 2.2 million cases, according to a report. Thailand is the fourth hardest-hit with around 255,000 Coronavirus infections, while Cambodia is in seventh place, recording more than 49,000 cases. Neighbouring Vietnam has reported fewer than 17,000 cases but its tourism sector is also suffering the knock-on effects of the pandemic. Nine tenths of tourists reportedly cancelled tours in the past two months and the Hanoi Department of Tourism says 90 percent of tourism workers in the city are unemployed or working in different sectors, Vietnam News reported. Cambodia's tourism industry is unlikely to fully recover until the end of 2023, the Ministry of Tourism said. It is working to improve infrastructure and resorts to attract foreign visitors when the entry ban is lifted. Projects include a new airport for Phnom Penh and plans to develop Mondulhiri as a centre for ecotourism. One leading industry spokesman said the government has achieved a lot because of the fast pace of its vaccination campaign. "So far the Cambodian Government has done a great job about Covid-19 compared with many ASEAN countries," said Thourn Sinan, the head of the Cambodia chapter of the Pacific Asia Travel Association. "However, the

tourism industry can't wait until Covid-19 has ended. Therefore we would like to request the government reopens the border, especially for vaccinated tourists, which is planned by the Ministry of Tourism in 4Q this year. This plan will help all in the tourism sector slowly start to recover the loss we have been facing within these two years. Another important thing the government should consider is to provide low or zero interest support loans to all in our tourism sector and industry as I believe many of us have run out of reserve funds," he said.

Source: <https://www.khmertimeskh.com/50884775/resorts-lay-off-workers-with-no-end-to-covid-in-sight>

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## Uncertainties about e-commerce laws addressed by EuroCham



*Cambodia News | 01 July, 2021*

Cambodia's e-commerce laws came into sharper focus as a panel of experts and ministry officials reviewed the laws and discussed their implementation, future enforcement and parameters. The discussion was hosted by EuroCham as part of a series of webinars diving into the nascent e-commerce landscape in the Kingdom. Om Dararith, adviser to the Ministry of Commerce and director of the Business Registration Department, said e-commerce companies would have six months to apply for the licences and permits necessary to operate legally in the Kingdom. That time limit has yet to go into effect yet because the ministries are still in the process of disseminating information

concerning the laws. Some small-scale business people would be allowed to sell online without registering under the e-commerce law, which was promulgated in November 2019. As examples, Dararith mentioned vendors selling their wares online including solo carpenters, seasonal durian and mango farmers and artists. Although there are numerous e-commerce companies currently operating in the Kingdom, Dararith said no businesses have applied for an e-commerce licence or permit. He said the ministry was working on a website to allow for online applications for the permits and licences but, at the moment, applications must be handed in physically. Business permits, he added, can be issued to businesspeople or enterprises. They must be applied for in-person at one-window service offices or, in the case of enterprises, at the Ministry of Commerce. Companies have made inquiries for more information, he added, noting they were probably waiting to be fully informed before officially applying for the necessary permits and licences. He said e-commerce companies currently operating in Cambodia should start complying with the e-commerce law and prepare their documents to apply for the proper licences and permits. Chris McCarthy, the chief executive officer of advertisement agency MangoTango Asia, said concerns about the e-commerce law among the private sector included uncertainty about how the new regulations would be enforced, about the National Internet Gateway as well as requirements

regarding future laws governing cybersecurity and data protection. McCarthy added overall, e-commerce appeared to have a bright future in Cambodia because of its competitive telecoms market, low prices for data services and internet service providers, the high number of smartphone users who mainly use their phones to access the internet and a young, entrepreneurial population. He cited a 2017 survey that looked at the sector landscape and said a lack of regulations at the time kept big companies such as Amazon out, which allowed Cambodian e-commerce companies to grow unhindered by seasoned veterans in the market. The private sector expects Cambodia to play a large role in e-commerce within the region, McCarthy said. He added that 3 percent of all consumer sales currently happen via e-commerce in ASEAN – and that is expected to grow to 16 percent by 2030. The total addressable consumer e-commerce market is estimated at 84 percent. “These are big, big numbers. It took the United States 25 years to get to 16 percent of sales by e-commerce so the fact that it’s happening so fast in the ASEAN region and Southeast Asia – it’s a great opportunity for all of those nations and, especially, I think, for Cambodia,” he said. McCarthy noted e-commerce also takes into account services and not just physical goods. The services sector is expected to grow exponentially over the next couple of decades. The global market for digital services reached \$500 billion in 2019 and is expected to grow to \$5.5 trillion in 2030 and beyond, according to a 2019 survey by

Boston Consulting Group. McCarthy said some companies that mainly do business and provide services online have been wondering whether they now have to apply for e-commerce licences. “A lot of private sector businesses are just uncertain about exactly how these new regulations apply to them and are looking for a little bit more clarity,” he said. Some companies had been hesitant to jump into e-commerce because of questions about what was needed to stay in compliance, he added, and this was concerning because it’s preventing business activity. The uncertainty surrounding offshore companies without a physical location in Cambodia selling digital services within the Kingdom was also discussed. McCarthy said his company buys several services from Facebook and historically paid 14 percent withholding tax as required by law. He posed a question as to whether a Cambodian company can buy digital services from a foreign unregistered company and pay the withholding tax, or whether these foreign companies now have to register in Cambodia. Dararith gave an unclear answer, saying the companies must follow the law and that the ministry was working in cooperation with customs and tax departments to further clarify rules regarding foreign companies providing e-commerce transactions within the Kingdom.

Source: <https://www.khmertimeskh.com/50884606/uncertainties-about-e-commerce-laws-addressed-by-eurocham/>

## Govt approves Bokeo-Boten expressway linking China, Thailand



*Laos News | 02 July, 2021*

The government has approved the construction of an expressway running between Bokeo province and Boten, which will link China and Thailand through Laos. The project was discussed at a design and survey meeting held in Bokeo on Wednesday, which was attended by the Governor of Bokeo province, Dr Buakhong Nammavong. The route taken by the expressway is now being planned. During the meeting, Director of the Design Survey for the Bokeo-Boten Expressway, Mr Liu Jingwei, said a survey of the route through Bokeo is now taking place and the possible impacts of the project are being assessed. The Bokeo-Boten Expressway has been approved by the Ministry of Public Works and Transport. It will run from Boten at the Laos-China border in Luang Namtha province to the Lao-Thai border in Huayxai district, Bokeo province. Construction of the 176.3km expressway is expected to cost US\$3.8 billion. It will enable vehicles to travel at 80km per hour and will cut the travel time between Boten and Huayxai to just one and a half hours. Dr Buakhong said the expressway will speed up the transport of goods between provinces and neighbouring countries. The company that is financing the project should ensure the expressway is designed in a way that has a low impact on local residents and the environment, while construction should create jobs for local people, he added. The

project is yet another milestone in the government's bid to transform Laos from being landlocked to a land link within the region. In addition, surveys of the next three sections of the Laos-China Expressway, which is being built between Vientiane and Boten at the Chinese border in Luang Namtha province, have been completed. The expressway runs for a distance of 440km and comprises four sections. The first stage between Vientiane and Vangvieng district in Vientiane province has been built and is in use. Section 2 will run between Vangvieng and Luang Prabang province, section 3 will link Luang Prabang and Oudomxay provinces, and section 4 will run from Oudomxay to the Chinese border. Surveys of sections 2, 3 and 4 have been completed, according to the Laos-China Joint Expressway Development Co., Ltd. The contractor estimates it will take 10 years to build the next three sections from Vangvieng district in Vientiane province to the Chinese border in Luang Namtha province, at a cost of US\$6 billion. Section 2 will cost about US\$3.2 billion, section 3 will cost US\$2.89 billion, and section 4 will cost US\$1.6 billion. In the south, construction of the Vientiane-Pakxe Expressway will go ahead after the government gives the green light to the proposed route and after feasibility studies on all sections have taken place. This road will consist of five sections and run parallel to Road No. 13 South. The first section will run for 126km from Nongpaen (450 Road) in Vientiane to Pakxan district in Borikhamxay province. The expressway will link up with the planned Vientiane-Hanoi expressway, which will

create a direct connection between the Lao and Vietnamese capitals.

Source : [https://www.vientianetimes.org.la/freeContent/FreeContent\\_Govt127.php](https://www.vientianetimes.org.la/freeContent/FreeContent_Govt127.php)

## Long bean selling well in Natmauk Township



*Myanmar News | 01 July, 2021*

Natmauk Township is usually a low rain access area. So, the local people are growing other kitchen crops apart from edible oil crops to earn extra income for their families. The high price of kitchen crops is driving the growers to cultivate more crops. The long bean market in Natmauk Township this year has performed significantly better than last year. The farmers from some villages in Natmauk Township, Magway Region are growing the long bean crops, and the long beans are selling well in the domestic market recently. “The long beans currently sold in the market are cultivated using irrigation water in April after the water festival. After cultivating for 65 days, the long beans are harvested from farmland and sent to the market. Each viss of long beans is sold for K1,500. However, the price has dropped to K1,000 per viss, and it is widely selling in the market,” said Daw San Shwe, a local grower. “We annually grow the long bean which is one of the chief kitchen crops. Each pack of long bean seeds is priced at K4,500, and the yield is good as well. Each pack of long beans contains 500 seeds. We need to prepare well the soil and make the boundary to grow

the long bean. We are also making the poles to grow the long bean. Each pack of long beans can yield about six or eight visses each time. It could be harvested every two days, said Ko Nyein, a local grower from West Lekkhokpin village. Natmauk Township is usually a low rain access area. So, the local people are growing other kitchen crops apart from edible oil crops to earn extra income for their families. The high price of kitchen crops is driving the growers to cultivate more crops. — Mu Mu San (Natmauk)/GNLM

Source: <https://www.gnlm.com.mm/long-bean-selling-well-in-natmauk-township/>

## International visitors to Vietnam drop 97.6 percent y-o-y in H1



*Vietnam News | 01 June, 2021*

Hanoi (VNA) – Vietnam recorded over 88,200 international visitors in the first half of 2021, plunging 97.6 percent year on year, the General Statistics Office (GSO) said on June 29. The GSO attributed the nosedive to the continuation of anti-COVID-19 measures, including the borders closed for international tourism, noting that most of the foreign arrivals are experts and technical workers performing duties at projects in Vietnam. During the period, the number of Asian visitors fell 97.2 percent year on year but still made up 88 percent of all international arrivals. Sharing the same trend, those from Europe plummeted 99 percent, the Americas 99 percent, Oceania 99.4 percent, and Africa 94.5



percent. The Politburo recently approved the consideration of welcoming foreign visitors with “vaccine passports” to some tourism hubs able to control COVID-19 transmission like the island city of Phu Quoc in Kien Giang province on a trial basis. At a recent meeting with Deputy Minister of Health Do Xuan Tuyen, the Kien Giang People’s Committee proposed a pilot “closed quarantine tourism” model for foreign travellers who already got inoculated against COVID-19. It also suggested vaccination for the entire population in Phu Quoc so as to ensure safety for local residents and staff at tourist sites. Tourism is a key industry of Phu Quoc, which has seen annual growth of 28 percent in the total visitor number and over 45 percent in international arrivals. However, it has been hit hard since the COVID-19 pandemic broke out last year, with total tourists and foreign holidaymakers dropping 30.6 percent and 76.1 percent year on year in 2020, respectively./.

Source : <https://english.vov.vn/en/economy/evfta-set-to-boost-vietnamese-exports-to-austrian-market-870415.vov>

## Foreign investors sell out blue chips on Covid fears: analyst



*Vietnam News | 01 June, 2021*

Foreign investors sold blue chips worth over US\$1 billion in the first half of the year, according to Yuanta Securities. Matthew Smith, head of research at the company, said in a recent note that net selling by

foreign investors in the period was \$1.4 billion, 67 percent higher than in the same period last year. They were big sellers also in South Korea, Taiwan, the Philippines, Thailand, and India due to worries about the Covid-19 pandemic, global inflation and the dollar’s strength. In May alone they sold \$12 billion worth of stocks in the six markets, 4 percent of it in Vietnam. Four of the five blue chips they sold in Vietnam have run up sharply since the beginning of this year: HPG of leading steelmaker Hoa Phat by 71 percent, CTG of VietinBank by 48 percent, VPB of VPBank by 105 percent, and MBB of Military Bank by 78 percent. They sold \$1.03 billion worth of the four stocks, accounting for 77 percent of their total sales in the market. Smith said profit taking and portfolio restructure could have been the reasons for the liquidation, pointing out that the four shares had become too big as a ratio of their portfolios. The fifth blue chip they sold out was VNM of dairy giant Vinamilk, of which they sold \$271 million worth. But its price was 14 percent down for the year. Smith said institutional investors have held on to VNM in recent years and not sold it, but in the last few months they have reversed this decision because the room for the company’s growth is shrinking. But he does not expect the selling to last

long because of Vietnam's positive macroeconomic factors and its stock market's potential for strong growth.

Source: <https://e.vnexpress.net/news/business/economy/foreign-investors-sell-out-blue-chips-on-covid-fears-analyst-4302717.html>